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C O N F I D E N T I A L SECTION 01 OF 02 BUDAPEST 000858

SIPDIS

DEPARTMENT FOR EUR/CE JLAMORE; PASS TO NSC ADAM STERLING

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TAGS: [PREL](#) [PGOV](#) [OSCE](#) [UN](#) [GG](#) [RS](#) [HU](#)
SUBJECT: HUNGARY ON UPCOMING EU COUNCIL MEETING RE
RUSSIA-GEORGIA CRISIS

REF: BUDAPEST 837 AND PREVIOUS

Classified By: Ambassador April H. Foley, reasons 1.4 (b and d)

SUMMARY

¶1. (C) The Foreign Minister's Chief of Staff briefed Ambassador Foley on the positions Hungary intends to forward at the upcoming EU Council meeting. Hungary will praise the French presidency for its activism, support the EU statement condemning the recognition of the disputed regions, demand full Russian compliance with the six-point agreement and urge the re-establishment of the pre-conflict status quo. Hungary will also call for an international effort to resolve the dispute and supports immediately commencing a dialogue with the Russians. Earlier in the day, Foreign Minister Goncz presented these positions to Parliament where they received multi-party support. The GoH also believes a common EU energy policy is even more crucial now to prevent the Russians from breaking EU unity. To that end, it will announce its long-planned Nabucco conference, now scheduled for January 28-29. While Hungary plans to put its political relations with the Russians into "idle," Chief of Staff Istvan Kovacs was unable to provide information on how its participation in the South Stream project will be affected. Finally, the Russian Ambassador was called to the MFA for a rebuke on the sharp language used in refuting opposition leader Viktor Orban's criticism of Russia. Other than remarks in the press, Kovacs did not believe the GoH has been pressured by Russia. End Summary.

FIVE-PARTY CONSENSUS ON RUSSIA-GEORGIA CRISIS

¶2. (C) During the August 29 briefing, Kovacs said that all political parties in Parliament are in agreement with the GoH's position that the use of force against a sovereign nation is "unacceptable." According to Kovacs, The Prime Minister's own statement critical of Russia, finally released on August 28, had been awaiting this multi-party support in order to avoid any public disputes with the opposition that could have weakened the message. (PM's statement para 9).

"A STRONGLY UNIFIED WAY"

¶3. (C) Commenting on Hungary's position for the EU Council meeting on Monday, Kovacs said the GoH will call on the EU to "act in a strongly unified way" adding "politically and rhetorically we should utter the same thing" because "Russia has been keen in the past to bring about divisions in the EU and NATO member states." Kovacs said the GoH "strongly

supports Georgia's independence, sovereignty, territorial integrity, and democracy" and that the "Russian military action went far beyond and was inconsistent with its peacekeeping role." The Russians, he said, must be shown "they can't change the rules of the game and use force to further their interests." The Russian actions, he added, set a dangerous precedent by utilizing military action to protect the rights of Russian citizens living abroad. If efforts within the UN fail, Hungary would support a separate EU civilian monitoring mission to the region. Immediately following the crisis, Kovacs said Hungary sent two military personnel and one civilian to the OSCE Mission to Georgia.

EU ECONOMIC SANCTIONS UNLIKELY

14. (C) Kovacs said he does not expect economic sanctions to be imposed at the EU Council meeting adding any punitive actions should target the Russian leadership rather than the Russian people. Sanctions, he added, should push Russia in the right direction, rather than make it more belligerent. Economic sanctions, he added, would lead to divisiveness that would benefit the Russians. Kovacs also thought visa restrictions would be counter-productive.

NABUCCO CONFERENCE: JANUARY 28-29

15. (C) The GoH will also call for faster development of a common EU energy policy. Russia, according to Kovacs has been especially successful in exploiting the lack of a common policy and dividing EU members. Kovacs said the government will host a high-level Nabucco conference in Budapest on

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January 28-29 to push the project forward. When asked by the Ambassador how Hungary's participation in the Russian-backed South Stream project would be affected, Kovacs said the topic had not come up in any discussions he was aware of. (Karoly Banai, the Prime Minister's Foreign Policy Advisor, previously told the Ambassador that South Stream negotiations would continue, but any announcements would likely be delayed.)

ACCELERATING DIPLOMATIC PRESENCE IN GEORGIA

16. (SBU) Hungary intends to increase the symbolism of the early opening of a new embassy in Tbilisi. In addition to the Foreign Minister's presence, which had already been planned, representatives of all Parliamentary parties will now be present. The Hungarians are looking at sharing space with the Bulgarian Mission in Tbilisi and will likely post three diplomats and possibly a military attache.

RUSSIAN AMBASSADOR'S COMMENTS NOT APPRECIATED

17. (C) Kovacs also shared that Russian Ambassador Savolsky had been called to the MFA on August 29 to be informed that his recent comments were "not appreciated," particularly his harsh criticism of Viktor Orban's statement on the crisis. Kovacs did not feel the government has been pressured by the Russians but noted the Russian "propaganda" concerning the crisis.

18. (C) Comment: In the Hungarian context, their positions on Georgia constitute a level of activism and direct Foreign Minister involvement that exceeds the norm. We also consider the release of the first statement by the Prime Minister helpful to the collective message. While strongly committed to dialogue with the Russians, the Hungarian statements in support of Georgia's sovereignty and territorial integrity have been unequivocal. We will be closely monitoring their South Stream activities for evidence that their concern with Russia's actions may have some practical consequences.

TEXT OF PM'S AUGUST 28 STATEMENT ON CRISIS:

19. (U) Russia's move in support of recognition of South Ossetia and Abkhazia hinders considerably the swift and peaceful resolution of the conflict in Georgia. It is worrisome and unfortunate that following a slow military withdrawal by Russia, Moscow is now further hindering chances of a resolution through diplomatic moves.

Regardless of which side may be to blame for the current conflict, no country may threaten another country or its territory and the security of its people. The countries of the Caucasus need peaceful and predictable development and stability, not a military conflict. Any further use of military force would only serve to make an already complicated situation worse.

Discussing possible topics for the extraordinary meeting of the European Council scheduled for next Monday, PM Gyurcsany said, "History has taught us that Russia and the European Union must work together as partners; and in the 'strategic partnership' both sides must take responsibility to ensure the continuation of meaningful dialogue."

Foley